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January 19, 2017

Ms. Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, SW Washington, DC 20554

Re: Adak Eagle Enterprises, LLC Petition for Reconsideration

Dear Ms. Dortch:

On behalf and at the direction of Adak Eagle Enterprises, LLC ("AEE"), the undersigned counsel hereby submit the attached Petition for Reconsideration to request reconsideration of the Federal Communications Commission's decision to deny AEE a second offer of support under the Alternative Connect America Cost Model pursuant to the December 20, 2016 Report and Order and Further Notice of Proposed Rulemaking, FCC 16-178.

Should you have any questions with respect to the filing, please contact the undersigned.

Respectfully submitted

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Counsel to Adak Eagle Enterprises, LLC

## Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

In the Matter of	)
Connect America Fund	) ) WC Docket No. 10-90 )

To: Chief, Wireline Competition Bureau

#### **PETITION FOR RECONSIDERATION**

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Counsel for Adak Eagle Enterprises, LLC

Dated: January 19, 2017

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#### **SUMMARY**

Adak Eagle Enterprises, LLC ("AEE" or "Company"), hereby seeks reconsideration of the Report and Order and Further Notice of Proposed Rulemaking, FCC 16-178, wherein the Federal Communications Commission ("FCC" or "Commission") denied AEE a second offer of support under the Alternative Connect America Cost Model ("A-CAM"). The decision to deny AEE a second offer was made based on the FCC's understanding that AEE would not be able to meet the 4/1 Mbps service standard required of rate-of-return carriers receiving A-CAM support. Due to a change in satellite service providers, AEE now has the ability to meet the A-CAM service requirements, and as such, the Company requests that the Commission reconsider and reverse its earlier decision.

In addition to a change in the factual circumstances undergirding this Petition for Reconsideration, AEE also respectfully submits that there are other grounds for reconsideration as well, including the fact that (1) the FCC never specified that potential recipients of A-CAM support would have to meet the 4/1 Mbps standard as a starting point for receiving A-CAM support, and (2) the FCC made its previous decision to deny AEE a second offer based on information AEE submitted under different circumstances, and in a different proceeding.

## Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

In the Matter of	)
Connect America Fund	) ) WC Docket No. 10-90

To: Chief, Wireline Competition Bureau

#### **PETITION FOR RECONSIDERATION**

Adak Eagle Enterprises, LLC ("AEE" or "Company"), acting through counsel and in accordance with Sections 1.106 and 1.429 of the Federal Communications Commission ("FCC" or "Commission") rules, 47 C.F.R. §§1.106, 1.429, hereby petitions the Commission to reconsider its decision to deny AEE a second offer of support under the Alternative Connect America Cost Model ("A-CAM"), as reflected in the Commission's December 20, 2016 Report and Order and Further Notice of Proposed Rulemaking. In support of its Petition, AEE hereby submits the following, including that it is now able to provide broadband service at A-CAM required speeds.

#### I. <u>AEE BACKGROUND</u>

AEE and its affiliates provide the vast majority of the telecommunications service on Adak Island, which is located in the Aleutian chain. This includes voice (including both fixed and wireless), broadband, and IPTV. Because of the island's extremely remote location, the only

<sup>1</sup> Connect America Fund, Report and Order and Further Notice of Proposed Rulemaking, WC Docket No.10-90, FCC 16-178, released December 20, 2016 ("December Order"). AEE's Petition For Reconsideration ("Petition") is timely filed within thirty (30) days of the December Order's release.

broadband uplink is via satellite. Understandably, in light of the remote location, AEE's costs of providing these services to a limited customer base have been supported through the Universal Service Fund ("USF") "high cost" program available to rate-of-return carriers like AEE. Such support remains critical to the Company's continued service to these customers, as well as to enhancing the services—particularly those related to broadband—AEE provides.

#### II. AEE AND A-CAM SUPPORT

In April 2016, the Commission adopted "a voluntary path for rate-of-return carriers to elect to receive model-based support in exchange for deploying broadband capable networks to a predetermined number of eligible locations." In return for a certain level of annual USF support, "carriers with a state-level density of 10 or fewer housing units per square mile ...[were] required to offer at least 4/1 Mbps to 25 percent of all capped locations ...by the end of the 10-year term." The "remaining capped locations ... [were made] subject to the [Commission's] reasonable request standard," with the Commission monitoring progress for connecting these locations as well. The Rate-of-Return Reform Order did not set an initial broadband service speed benchmark for eligibility to elect this voluntary path.

The Rate-of-Return Reform Order also noted that the Alaska Telephone Association ("ATA") had proposed a separate, "integrated incentive regulation plan for Alaska's rate-of-return and mobile competitive eligible telecommunications carriers that would, among other

<sup>2</sup> Connect America Fund, Report and Order, Order and Order on Reconsideration, and Further Notice of Proposed Rulemaking, 31 FCC Rcd 3087, 3094 ¶17 (2016) ("Rate-Of-Return Reform Order").

<sup>4</sup> *Id.* The Commission ultimately applied these obligations to AEE as a result of the housing density in the relevant census blocks.

<sup>&</sup>lt;sup>3</sup> *Id.* ¶26.

things, allow" these carriers "to elect to receive a frozen amount of high cost support with defined performance obligations to extend and support fixed and mobile broadband service." At the time, the Commission committed to considering that approach, but explicitly stated that Alaskan carriers "will remain free to elect the voluntary path to the model [i.e., A-CAM] if they so choose."

In regard to the A-CAM election process, fast-forward to early August 2016. The Wireline Competition Bureau ("WCB") released a final version of the A-CAM model and made "offers of model-based Connect America support to rate-of-return carriers to fund the deployment of voice and broadband capable networks in their service territories." The Offer Notice referenced four reports that set forth for each rate-of-return carrier the deployment obligations over the 10-year term (e.g., "the specific number of locations where the recipient will be required to offer...4 Mbps downstream /1Mbps upstream (4/1 Mbps), as well as the number of remaining locations subject to the [Commission's] reasonable request standard." AEE's 4/1 Mbps obligation was to offer that service at 118 locations by the end of the 10-year term. An additional 355 locations were subject to the reasonable request standard. AEE and other eligible carriers were given until November 1, 2016 to decide whether to accept the annual support offer in the Offer Notice.

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<sup>&</sup>lt;sup>5</sup> Rate-Of-Return Reform Order ¶4 n.10

<sup>&</sup>lt;sup>6</sup> *Id*.

<sup>&</sup>lt;sup>7</sup> Wireline Competition Bureau Announces Support Amounts Offered To Rate-Of-Return Carriers To Expand Rural Broadband, Public Notice, 31 FCC Rcd 8796 (Wireline Comp. Bu. 2016) ("Offer Notice").

<sup>&</sup>lt;sup>8</sup> *Id*.

On October 28, 2016, AEE notified the Commission of its commitment to "satisfy[ing] the specific service obligations associated with" the offered support. WCB formally recognized that commitment on November 2, 2016. 10

#### III. ALASKA PLAN AND A-CAM

While the A-CAM election process outlined above was proceeding, on August 30, 2016, the Commission adopted an alternative framework for Alaskan rate-of-return carriers such as AEE ("Alaska Plan").<sup>11</sup> Therein, the Commission recognized that "Alaskan rate-of-return carriers face unique circumstances, including Alaska's large size, varied terrain, harsh climate, isolated populations, shortened construction season, and lack of access to infrastructure that make it challenging to deploy voice and broadband capable networks." Thus, Alaskan rate-of return carriers had the option "of receiving support pursuant to the Alaska Plan, electing to receive support calculated by A-CAM, or remaining on reformed legacy rate-of-return support mechanisms."

Months before, in May of 2016, the ATA, in support of its effort to get the Commission to approve the Alaska Plan, had submitted deployment commitments relating to the support

<sup>&</sup>lt;sup>9</sup> See Exhibit 1.

<sup>&</sup>lt;sup>10</sup> Wireline Competition Bureau Announces Results Of Rate-Of –Return Carriers That Accepted Offer Of Model –Support, Public Notice, 31 FCC Rcd 11966, Attachment at p. 10 (Wireline Comp. Bur. 2016).

<sup>&</sup>lt;sup>11</sup> Connect America Fund, Report and Order and Further Notice of Proposed Rulemaking, 31 FCC RCS 10139 (2016) ("Alaska Plan Order").

<sup>&</sup>lt;sup>12</sup> *Id.* ¶5.

<sup>&</sup>lt;sup>13</sup> *Id.* ¶7.

potentially available if such approval occurred.<sup>14</sup> These commitments were specifically related to the Alaska Plan and expected support thereunder, as well as current Company capabilities. 15 AEE's commitment in May of 2016 was for 1Mpbs/256Kbps service for 357 locations passed over the 10-year period. The Commission apparently assumed that a similar commitment and capability would apply under the A-CAM framework and, without specifying AEE, noted that "a number of Alaska rate-of-return carriers would not be able to meet the performance obligations associated with A-CAM support; those carriers that are unable to offer even 4/1 Mbps service would not be permitted to elect A-CAM support."16

#### IV. DECEMBER ORDER AND PUBLIC NOTICE

In the December Order, the Commission adopted a combination of measures to address the "oversubscription" of A-CAM support, 17 which necessitated revised "second offers" for most electing carriers. However, citing AEE's Alaska Plan commitment, the December Order expressly instructed WCB not to make AEE a second A-CAM offer. 18 It is this specific decision to deny AEE potential A-CAM support for which the Company now seeks reconsideration.

<sup>&</sup>lt;sup>14</sup> Letter from Christine O'Connor, Executive Director, ATA, to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket 16-271 (May 9, 2016).

<sup>&</sup>lt;sup>15</sup> *Id*.

<sup>&</sup>lt;sup>16</sup> Alaska Plan Order ¶7 n.18.

<sup>&</sup>lt;sup>17</sup> 216 rate-of-return companies had submitted letters electing 264 separate offers of A-CAM support in 43 states resulting in an overage of the planned 10 year budget of some \$160 million.

<sup>&</sup>lt;sup>18</sup> December Order ¶4 n. 8, ¶16. See also Wireline Competition Bureau Authorizes Alaska Plan Support For 13 Alaskan Rate-Of-Return Companies, Public Notice at p.2, DA 16-1425 (Wireline Comp. Bur. Dec. 21, 2016).

#### V. PETITION FOR RECONSIDERATION STANDARD

AEE respectfully submits that it has satisfied the requirements of Sections 1.106 and 1.429 of the Commission's rules, 47 C.F.R. §§1.106, 1.429, regarding petitions for reconsideration. The Company is adversely affected by the denial of a right to receive a second A-CAM offer. AEE provides herein new, dispositive facts regarding its commitment and ability to meet the 4/1 Mbps standard. In any case, it is in the public interest for the Commission to consider AEE's arguments.<sup>19</sup> The Petition is timely filed in accordance with Section 1.4 of the Commission's rules.<sup>20</sup>

#### VI. ARGUMENT

### A. AEE Can Meet The 4/1 Mbps Standard Required To Receive A-CAM Support And Should Therefore Be Extended A Second Offer.

Pursuant to FCC rules and longstanding Commission precedent, "[o]n reconsideration, the Commission is entitled to review new facts and to change its ruling based on the new facts." The current circumstances present just such an opportunity. Due to a change in satellite providers, AEE is now able to meet the 4/1 Mbps standard the Commission requires to permit election of A-CAM support. This new fact warrants reconsideration of the FCC's previous decision to deny AEE the opportunity to receive A-CAM-based support by refusing to extend a second offer to AEE.

<sup>&</sup>lt;sup>19</sup> See 47 C.F.R. §§1.106, 1.429.

<sup>&</sup>lt;sup>20</sup> Although the December Order was issued in a rulemaking proceeding, the Commission chose not to publish it in the Federal Register because the order itself failed to adopt new rules. Therefore, AEE is filing the Petition within thirty (30) days of "public notice" based upon the release date of the December Order.

<sup>&</sup>lt;sup>21</sup> Farmers and Merchs. Mut. Tel. Co. v. FCC, 668 F.3d 714, 723 (D.C. Cir. 2011); 47 C.F.R. §§ 1.106, 1.429.

At the time AEE's broadband deployment commitments under the Alaska Plan were submitted to the Commission by ATA in May 2016, AEE had a month-to-month contract with Futaris to provide bandwidth satellite service. Due to continually rising costs each year and concerns about service reliability issues, AEE began to explore options for a new service provider. In particular, AEE sought an alternative satellite service provider capable of meeting the necessary longitude and latitude requirements that would enable the satellite to cover AEE's entire service area.

On July 21, 2016, AEE began coordinating with an alternative provider, Eutelsat. After several meetings to discuss the relevant equipment requirements, specifications, and cost of service, AEE confirmed in mid-August that it planned to engage Eutelsat and transition its service from Futaris.

The transition, however, was not immediate. AEE had equipment that needed to be upgraded and it had to test whether current "send and receive" transmissions would effectively link with Eutelsat satellite 115WB. At that point, AEE decided the best path forward would be to determine whether to spend the time necessary to configure its current 11 meter satellite dish antenna, or to move forward with a 3.8 meter satellite dish antenna that was covered under a Radome building for better shelter from the weather. Considering the cost, transition timing, the requisite performance obligations, and the possibility of upgraded services for Adak customers, Adak ultimately chose to move its traffic to the 11 meter satellite dish temporarily until the 3.8 meter satellite dish could be reconfigured.

AEE began the first steps of the transition by having a satellite dish contractor travel to Adak Island on September 18, 2016. Over the course of a week, AEE moved its existing service off of the 3.8 meter satellite dish to the 11 meter satellite dish so it could prepare the 3.8 meter

satellite dish for the upgraded service. Unfortunately, as is often the case in Alaska, inclement weather played a factor in the speed with which AEE was able to upgrade the service. When the Company tried to move the service to the 11 meter satellite dish, AEE encountered 90 mph winds that pushed the transition work back an entire week, consequently extending the amount of time it took before AEE could move the service back onto the 3.8 meter satellite dish.

Even after this work was completed, the system wasn't completely ready to test. The system in place at that time required additional work that was not previously contemplated in the plan. As a result, AEE took the time required to fix and order more equipment, settle scheduling conflicts due to inclement weather, and balance the work load of the sole island technician.

On October 30th, 2016, AEE received notice that Futaris had been acquired by X2nSat and that X2nsat would honor AEE's current agreement with Futaris. However, at that time, in light of its discussions with Eutelsat, AEE sent Futaris and X2nSat a notice of withdrawal of service that would take effect on December 1, 2016.

After a full month of troubleshooting and upgrading equipment for installation, on Nov 9, 2016, Adak brought the satellite dish contractor back to the island to finish testing the dish components and frequency allocation, and to complete other aspects of the testing. On Nov 14, 2016, Adak started testing the new frequency, the bandwidth requirements, and power requirements with Eutelsat. After confirming the system was performing consistently at the requirements per the agreed contract levels—which was in mid-December—AEE was up and running. AEE continued transferring all of its customers over to the new service and confirmed its customers were receiving new IP addresses and packages. The transition was transparent from a provision-of-service perspective (i.e., there was no interruption of service to customers).

Once 30 calendar days of service passed without interruption, AEE confirmed that the power needed to send and receive signals was being fulfilled, and that no further testing was needed. Consequently, on December 13, 2016, AEE and Eutelsat finalized a three-year contract agreement (and agreed upon the option for a second three-year term), and Eutelsat began billing AEE that month. As of January 2017, AEE is developing new package offerings for its residential and business customers that are consistent with the A-CAM obligations. This service is capable of meeting the 4/1 Mbps benchmark for all of these customers and for the 118 locations that were required under the FCC's original A-CAM support offer and to which AEE committed in late October.

Clearly, AEE's Petition relies on facts and arguments that previously have not been presented to the FCC. Under the Commission's rules, a petition for reconsideration presenting new information will be entertained when the newly introduced facts "relate to events which have occurred or circumstances which have changed since the last opportunity to present such matters to the Commission, or . . . relies on facts or arguments unknown to petitioner until after his last opportunity to present them to the Commission, and he could not through the exercise of ordinary diligence have learned of the facts or arguments in question prior to such opportunity."<sup>22</sup>

Such is the case here. As explained above, AEE timely certified on October 28, 2016 that it was "elect[ing] to receive Connect America Support based on the Alternative Connect America Cost Model," and that in return, it would "commit[] to satisfy[ing] the specific service obligations associated with that amount of model support over the 10-year term." It was even

<sup>&</sup>lt;sup>22</sup> 47 C.F.R. § 1.106(c)(1)(citing 47 C.F.R. § 1.106(b)(2)).

<sup>&</sup>lt;sup>23</sup> See Exhibit 1; see also supra p. 4 & n.9.

earlier—in May—that AEE submitted the information in the Alaska Plan proceeding upon which the Commission appears to have based its decision with regard to AEE. The FCC's directive that there should be no second A-CAM offer to AEE, as a result, was not—and could not have been—informed by AEE's determination in mid-December (just a few days before the December Order) that the Company would be in a position to meet the 4/1 Mbps requirement for A-CAM participation at the outset of 2017. In fact, this is the very type of late-breaking information the Commission expects to receive in a petition for reconsideration. Furthermore, this is not "new information which [AEE] could have presented" in its October 28, 2016 letter certifying that it would meet the A-CAM requirements.<sup>24</sup> Moreover, as we discuss below, there was no requirement at the time AEE made that commitment for the company to represent that it then had that capability.

#### B. The Commission Did Not Specify A Deadline For Meeting The 4/1 Mbps Standard.

Regulatees cannot be held to a standard not articulated by the regulator.<sup>25</sup> In this instance, due process requires that the FCC inform regulatees about the standards used to regulate them prior to imposing requirements.

Here, the Rate-Of-Return Reform Order does not dictate that potential A-CAM electors must be able to meet the 4/1 Mbps standard as a starting point for receiving A-CAM support

<sup>&</sup>lt;sup>24</sup> See KATC Communications, Inc., Order on Reconsideration, DA 01-719, 16 FCC Rcd 6861, 6865 (2001).

<sup>&</sup>lt;sup>25</sup> *Direct Communs. Cedar Valley, LLC v. FCC*, 753 F.3d 1015, 1138 (10th Cir. 2014)(explaining that the constitutional right to due process requires notice and a fair opportunity to be heard). In determining whether an agency has engaged in a violation of due process, the court will "ask whether 'by reviewing the regulations and other public statements issued by the agency, a regulated party acting in good faith would be able to identify, with ascertainable certainty, the standards with which the agency expects parties to conform." *Trinity Broad. of Fla., Inc. v. FCC*, 211 F.3d 618, 628 (D.C. Cir. 2000) (quoting *Gen. Elec. Co. v. EPA*, 53 F.3d 1324, 1329 (D.C. Cir. 1995)).

over the next 10-years. Indeed, the contemplation was that the A-CAM support provided was to be used to meet those obligations that participants made, subject to periodic reporting on progress. In pertinent part, and as explained above, paragraph 26 of the Rate-Of-Return Reform Order states:

We will require carriers with a state-level density of more than 10 housing units per square mile to offer at least 4/1 Mbps to 50 percent of all capped locations in the state **by the end of the 10-year term**. Carriers with a state-level density of 10 or fewer housing units per square mile will be required to offer at least 4/1 Mbps to 25 percent of all capped locations in the state by the end of the 10-year term. The remaining capped locations will be subject to the reasonable request standard, and the Commission will monitor progress in connecting these locations as well.<sup>26</sup>

AEE timely committed to deploy 4/1 Mbps to the required number of locations as set forth in the original A-CAM offer "by the end of the 10-year term" as required in the Rate-of-Return Reform Order. Based on a review of the A-CAM requirements performed by AEE, ATA, and Moss Adams—AEE's independent accounting and auditing firm—the only specific broadband deployment obligation that AEE as an A-CAM participant is required to meet is 4/1 Mbps to 25 percent of its capped locations by the end of the 10-year term. Given that AEE is now presently capable of meeting the 4/1 Mbps standard for at least 25 percent of its capped locations, the Commission should reconsider its decision in the December Order and extend to AEE a second A-CAM offer. Moreover, the fact that AEE, much earlier and in the context of

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<sup>&</sup>lt;sup>26</sup> Rate-of-Return Reform Order ¶26; *supra* p. 2 & n.3.

the Alaska Plan, indicated a different level of service, should not be used to now disqualify the Company from a second A-CAM offer.

#### C. The Commission Denied AEE A-CAM Support Based On Information Gathered In A Completely Different Proceeding.

AEE respectfully submits that the Commission improperly and unfairly used AEE-related data supplied by ATA in connection with support under the Alaska Plan to determine eligibility in the A-CAM proceeding.<sup>27</sup>

Specifically, the Commission noted in the December Order, despite AEE's express commitment to meet the A-CAM requirements, that it was "direct[ing] the [WCB] not to extend a second offer to Adak. In the Alaska Plan Order, [the FCC] noted that those Alaska rate-ofreturn carriers that are unable to offer even 4/1 Mbps service would not be permitted to elect A-CAM support. Adak is unable to meet a 4/1 Mbps service obligation, and as such is not eligible to elect A-CAM support."28 In support of that statement, the FCC cited the letter filed by ATA on Adak's behalf in the Alaska Plan proceeding.<sup>29</sup>

Information supplied by AEE for the Alaska Plan, however, did not take into account the fact that AEE might have the opportunity to offer 4/1 Mbps to 25 percent of its capped locations with a new satellite provider. Indeed, AEE provided to ATA a realistic estimate of what it would

<sup>&</sup>lt;sup>27</sup> See n.14, supra.

<sup>&</sup>lt;sup>28</sup> December Order ¶16 & nn.27-28 (emphasis added).

<sup>&</sup>lt;sup>29</sup> December Order ¶16 & n.28 (citing Letter from Christine O'Connor, Executive Director, Alaska Telephone Association, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-90, at Attach. (filed May 9, 2016), and Letter from Christine O'Connor, Executive Director, Alaska Telephone Association, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-90, at Attach. (filed May 12, 2016) (providing, in part, Adak's proposed commitment for participation in the Alaska Plan and showing access to only satellite middle-mile facilities at speeds less than 4/1 Mbps).) See also *supra* p.5 & n.18.

have been able to accomplish with the projected funds from the Alaska Plan, well before the prospect of a new satellite service provider that could permit AEE, as of now, much less 10 years from now, to offer the required 4/1 Mbps service level to participate in A-CAM. As a result, the data submitted as part of the Alaska Plan should not have been the basis for approving or denying participation in the A-CAM once AEE made the requisite commitment under that program in October.

In addition, AEE's certification that it would fulfill its 4/1 Mbps deployment obligation to the requisite number of locations was due in part to the higher level of funding AEE would receive under the A-CAM as compared to under the Alaska Plan. Under the level of funding AEE would receive under the Alaska Plan, it would have been forced to maintain the status quo—as it noted in its filing—absent then subsequent unknown developments, such as a change in satellite provider.

Notwithstanding the fact that the Alaska Plan and A-CAM proceedings are different and completely separate proceedings, the Commission chose to use the information submitted in one for the other.

AEE respectfully submits that information AEE provided in the context of the Alaska Plan was specific to that proceeding and should not have been used in a different context. It spoke directly to what AEE could achieve with the level of funds contemplated under the Alaska Plan, rather than the level of performance AEE might achieve with a higher level of funding under the A-CAM. As a result, the Commission should not have used the information provided in the Alaska Plan proceeding for purposes of decision-making in the A-CAM proceeding. Certainly, until the Alaska Plan Order, AEE had no notice that the Commission planned to do so. It was reasonable for AEE to assume after the Company subsequently made the requisite

certification that it would meet the terms of the original A-CAM-based support offer that the Commission not disqualify AEE for unrelated information submitted related to a different support plan.

While AEE does not know exactly what the revised second offer of A-CAM support would be, based on its own rough calculations,<sup>30</sup> the Company expects that the reduced amount would have no impact on its commitment to meet the deployment obligations it originally certified it would satisfy. Indeed, prospectively, AEE hopes the support would allow the Company to expand its 4/1 Mbps support to the remaining locations outside of the initial 118.

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<sup>&</sup>lt;sup>30</sup> AEE's independent accountant, Moss Adams, has used the Commission's formula to calculate that a rough estimate of the second offer of support would be approximately \$795,772.

#### VII. CONCLUSION AND REQUEST FOR RELIEF

AEE has provided new, dispositive facts that fully justify the Commission reconsidering its instruction to WCB to deny a second A-CAM offer to AEE. Thus, AEE respectfully requests that the Commission promptly instruct the WCB to deliver a second offer of model-based support to AEE as outlined for the other qualifying rate-of-return carriers in the December Order.

Respectfully submitted,

Paul C. Besozzi Koyulyn K. Miller

Squire Patton Boggs (US) LLP

2550 M Street, N.W. Washington, DC 20037

(202) 457-6000

Counsel for Adak Eagle Enterprises, LLC

# Exhibit 1



ADAK TELEPHONE, LITELTY
ADAK CABLEVISTON
ADAK CABLEVISTON
ADAMBADAD CITY EELLULAH
WINDY CITY EELLULAH

October 28, 2016

Mr. Matthew S. Del Nero Bureau Chief Wireline Competition Bureau Federal Communications Commission 445 12<sup>th</sup> Street SW Washington, DC 20554

RE: Adak Eagle Enterprises, LLC Election of Model-Based Support in Alaska

Dear Mr. Del Nero:

Adak Eagle Enterprises, LLC (ADKG, SAC 610989) hereby confirms that it elects to receive Connect America support based on the Alternative Connect America Cost Model in the state of Alaska as specified in the final model results released on August 3, 2016. In return, the Company commits to satisfy the specific service obligations associated with that amount of model support over the 10-year term.

Specifically, for an annual support amount of \$1,135,200, Adak Eagle Enterprises commits to the following broadband deployment obligations over the 10-year period: (1) speeds of at least 4/1 Mbps to 118 locations in support-eligible census blocks; and (2) the provision of service upon reasonable request to the remaining 355 locations in census blocks receiving support.

Adak Eagle Enterprises' election of model-based support applies only to the support amount and broadband obligations released on August 3 and stated above. It is Adak Eagle Enterprises' understanding that if any aspect of this offer were to change, a revised offer would be made and the Company would have 30 days to determine whether it wishes to accept the revised offer.

Wireline Competition Bureau Announces Support Amounts Offered to Rate-of-Return Carriers to Expand Rural Broadband, Public Notice, WC Docket No. 10-90, DA 16-869 (rel. Aug. 3, 2016).

Please feel free to contact me at 907-222-0844 or lmayes@adaktu.net if you have any questions or require additional information.

Sincerely,

Larry D. Mayes

President

# Exhibit 2

### DECLARATION OF ANDILEA WEAVER ADAK EAGLE ENTERPRISES, LLC

I, Andilea Weaver, am the Chief Operations Officer of Adak Eagle Enterprises, LLC (Adak). I have occupied that position since November 1, 2003, and as such, I am familiar with Adak's past and current operations.

I have reviewed the attached Petition for Reconsideration, which was prepared pursuant to my direction and oversight. I hereby declare under penalty of perjury that the factual statements and representations therein concerning Adak, its affiliates, and their operations, including current service capabilities, are true and correct.

Executed on this 19th day of January 2017.

Andilea Weaver

Chief Operations Officer Adak Eagle Enterprises, LLC